Energy & Water Ombudsman NSW
Free, fair and independent

23 February 2022

Consumers and Competition Policy Branch
Energy Division
NSW Department of Planning, Industry and Environment

By email: energy.consumerpolicy@dpie.nsw.gov.au

Dear Energy consumer policy team

Promoting innovation for NSW energy customers

Thank you for the opportunity to comment on this public consultation paper 'Promoting innovation for NSW energy customers'.

The Energy & Water Ombudsman NSW (EWON) investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers. Our comments are informed by our investigations into these complaints, and through our community outreach and stakeholder engagement activities.

Please find attached our detailed response to the each of the relevant consultation questions. We have only responded to those questions in the consultation paper that align with issues customers raise with EWON, or with our organisation's operations.

I would also like to draw your attention to our general position on three of the key issues in this paper:

- Smart Electricity Meters
- Hot Water Embedded Networks
- Definition of life support equipment for energy rebates

Smart electricity meters

EWON supports an increase in transparency around the costs of metering, where customers are being directly charged for these services and separately from their ongoing energy costs.

EWON complaints about metering, distributed energy resources (DER) and electricity billing, indicate that one of the central barriers for increasing the uptake of smart meters, and challenges for customers moving onto cost reflective tariffs, is an apparent gap in the information available to customers about the link between meter type and the network tariff assigned to that meter. Some customers are unaware that installing a new meter will often attract a different network tariff, and that this may limit the energy offers the customer can access on the retail market.

More needs to be done to provide energy consumers with accessible information about the relationships between meter type, network tariff, and the energy offers available on the retail market.

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Hot water embedded networks

EWON welcomes discussion of the regulatory situation for customers living in gas embedded networks. NSW is currently observing a growth in residential gas embedded networks, a process which commenced in 2015 when the gas distributor, Jemena Gas Networks (JGN), introduced a network tariff designed for boundary metering. EWON was alerted to this trend through complaints from gas embedded network customers.

In November 2019, the AER draft decision on JGN's Access Arrangement 2020-2025 rejected Jemena's proposal to withdraw completely from individual hot water metering by July 2020[1]. The reduction in consumer protections for customers moving into gas embedded networks was a significant factor in the AER's draft decision:

> *"JGN considers its boundary metering strategy would facilitate gas embedded networks, who it believes are better placed to improve customer experience in new high-rise buildings.*
>
> *However, there is concern such apparent improvements to customer experience may be offset by a reduction in customer protection. Where JGN does not own and operate the meter, there are concerns such customers would not fall under the protection of the National Energy Customer Framework (NECF)."*

The AER is also currently reviewing of the AER (Retail) Exempt Selling Guideline and EWON has recommended that a new class exemption is created to enable embedded network operators on-selling gas (and measured with a hot water meter) to register for an exemption. Advice from the AER to date is that where embedded network operators, the majority of which are energy retailers, are billing based on litres of water consumed rather than the energy required to heat that water, they are heating potable cold water that is purchased through the meter by the owner's corporation, and in turn billed to the property owners. It is not paid for by the embedded network operator.

Whilst EWON understands that embedded network operators are billing customers for the hot water used ($/L) rather than the gas consumed ($/MJ), this not to be an accurate representation of the service provided to customers. Based on complaints investigated by EWON, there are no indicators / supporting information that hot water is a bundled product (water + energy) which is separate from the sale of energy. Again, there is no evidence that the embedded network operator is buying the water that is used in the centralised hot water system. And yet, they are selling water, albeit, heated.

EWON believes that customers of gas embedded networks should benefit from the same consumer protections that other retail energy customers are entitled to, including:

- rights to access energy services and obligations to offer supply
- informed consent requirements
- dispute resolution procedures
- minimum contractual standards
- minimum requirements for billing, tariff, and payment
- protections for customers at risk of financial vulnerability
- protections for disconnection and reconnection.

Definition of life support equipment for energy rebates

EWON recommends that the eligibility requirement of the NSW Life Support Rebate be amended so it is at least aligned with the four-year period to reuse life-support registration forms introduced in the AEMC's *National Energy Retail Amendment (Maintaining life support customer registration when switching) Rule 2021*.

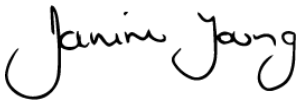
[1] AER, DRAFT DECISION, Jemena Gas Networks (NSW) Access Arrangement 2020 to 2025, Attachment 1, November 2019

EWON also calls for a rethinking of the eligibility criteria for the Life Support Rebate to allow a single application for life support customers whose condition will not change. Ceasing the requirement for customers with lifelong conditions to reapply every two years (or even four years) for the rebate would not only reduce the burden on customers but also reduce the administrative burden, and associated cost for the government, and energy providers.

EWON suggests that the list of life support equipment set for the NSW Life Support Rebate (LSR) could be aligned with the Commonwealth Government's Essential Medical Equipment Payment. An example of how this may benefit customers is the current restriction of the NSW LSR to power wheelchairs for quadriplegics only. The Commonwealth Government's Essential Medical Equipment Payment appears to extend the payment to people with paraplegia who use power wheelchairs. Extending the NSW LSR to a larger group of electric wheelchair users would help improve energy affordability for people living with lifelong disabilities.

If you would like to discuss this matter further, please contact me or Rory Campbell, Manager Policy and Research, on (02) 8218 5266.

Yours sincerely



Janine Young
Ombudsman
Energy & Water Ombudsman NSW

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 1**: Meter costs to customers	**1a.** How are the costs and benefits of smart meter installations currently communicated to customers?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 1**: Meter costs to customers	**1b.** Can electricity retailers provide government with the various cost inputs for smart meters (this information will be treated as commercial in confidence)?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 1**: Meter costs to customers	**1c.** Would it be useful for customers if the cost of a smart meter was included on the details of electricity plans on comparison sites?	The Australian Energy Regulator's Retail Pricing Guideline (RPIG) already requires retailers to provide the key fees (including metering fees), and information on metering arrangements, and any associated costs, applicable to a plan to Energy Made Easy. The RPIG also makes it clear that retailers must specify if the plan's availability is subject to the customer's property having a particular metering system or configuration. Despite the information now available to customers about smart meters and metering installations, there appears to be a gap in the information available about the link between the customer's meter type and the network tariff assigned to that meter. Based on complaints received by EWON, some customers appear to be unaware that a new meter will attract a different network tariff, and that this may mean the retailer will apply a new retail tariff to their energy plan. EWON does not receive a significant number of complaints that customers have been directly charged for a smart meter when this has not been covered in the retailer's marketing material. However, EWON does receive complaints from customers who have upgraded their meter, and subsequently had their tariff structure changed by the distributor and/or retailer. Customers complain that they were not provided with adequate advice that upgrading to a smart meter will change the customers eligibility for their current energy plan, and/or eligibility to receive some tariff structures, for example, a flat rate. (Refer Case study 1 in the attachment). Complaints to EWON about this issue include instances where the customer is purchasing DER products (such as solar and batteries). In this situation, customers state they were not made aware by their retailer, before deciding about their investment, that installing a rooftop solar system, and upgrading their meter would force them to change from a flat to a time-of-use or demand tariff. (Refer Case study 2).

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				Based on complaints to EWON, retailers and energy comparison sites should be required to provide clear information about metering, and metering costs, when carrying out marketing activities. The information provided to customers should include: • any costs for metering (including the cost of a meter or ongoing metering fees) directly charged to the customer that are separate from the energy charges on the customer's plan; • eligibility restrictions based on the network tariff assigned to the customer's electricity meter, *ie 'will the customer's retail offer change if the network tariff is changed?';* and • whether a meter upgrade will result in the customer's network tariff changing (based on the network's tariff assignment policy).
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 1**: Meter costs to customers	**1d.** What share of customers in New South Wales are on cost reflective pricing tariff options?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 1**: Meter costs to customers	**1e.** What are the benefits and challenges for customers moving onto cost reflective tariffs?	As noted in our response to question (1c) EWON complaints indicate that there is a gap in the information available to customers about the link between the customer's meter and the network tariff assigned to that meter. The central challenges for customers moving onto cost reflective tariffs are: • adequate notice and communication to customers of any change (or potential change) to the network tariff assignment policy • access to clear information in energy offers and marketing about the restrictions on eligibility for current and future energy offers based on metering type and network tariff assignment • customer education about network tariff assignment policies and the efficient use of energy when using TOU and demand tariffs. The move to cost reflective tariffs has been driven through changes to the regulation of networks. However, this has not been a customer centred transition. (Refer Case Study 3.) EWON receives complaints from customers who have been transitioned to a cost reflective tariff, including Time-of-use (TOU) and demand tariffs, after receiving a new digital meter. The types of complaints to EWON about being placed on TOU or demand tariffs include: • that a cost reflective tariff will result in higher household energy costs • that the customer received no notice from the retailer that their tariff would be changed after the new meter was installed

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				• that there was a lack of support from their retailer's customer service staff in response to their complaint about their tariff changing to a TOU or demand tariff • that their retailer failed to provide them with adequate information about cost reflective tariffs and metering • marketing material promoted by retailers failed to provide clear guidance about how eligibility for energy offers may change based on the metering at the customer's property • that retailers provided limited (or no) alternative options for customers placed on TOU or demand tariffs by the distributor • that comparison sites do not provide clear information about metering requirements and cost reflective tariffs • that customers are still being referred to the distributor by retailer customer service staff in response to complaints about cost reflective tariffs.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 1**: Meter costs to customers	**1f.** Are there any other costs to customers that should be considered?	The cost of works for preparing for a meter installation, which varies depending on the requirements to prepare. This includes installing isolation switches, upgrading switchboards, and removing asbestos. Information about these additional costs that come with alterations to a private installation need to be provided to customers upfront. This information should be provided via awareness campaigns, when the customer is first notified about a potential meter change, and/or when the customers first contact with the retailer.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 2**: Meter life and redundancy charges	**2a.** What is the average life expectancy of basic meters and smart meters?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 2**: Meter life and redundancy charges	**2b.** What are the main operating factors that affect the life expectancy of smart meters?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 2**: Meter life and redundancy charges	**2c.** What is the average cost to a retailer of replacing a distributor's basic meter asset before it reaches its end of life?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 2**: Meter life and redundancy charges	**2d**. What are the factors to be considered before mandating end of life for basic meters?	No Comment.

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 2**: Meter life and redundancy charges	**2e.** What are the main challenges to replacing basic meters or smart meters that reach their end of life?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 2**: Meter life and redundancy charges	**2f.** What measures should be included to protect vulnerable customers if their meter needs to be replaced? Would exemptions need to be included to account for implementation challenges at some premises?	Customers at risk of financial vulnerability are likely to benefit from being billed monthly on actual readings of their meter – which is made possible with the installation of a type 4 meter. Any exemptions made for specific groups of customers must be balanced against the benefits they will obtain from access to new meters. However, there is no specific financial assistance available for customers at risk of financial vulnerability who are required to pay for upgrades to their meter installation. This is particularly important in instances where a customer in financial vulnerability has received a defect notice following a meter upgrade request. Additional costs, such as alternations to the meter installation, that are triggered for some customers when their meter is upgraded to a type 4 meter are likely to push customers at risk of financial vulnerability into crisis. Currently, the affordability framework for the retail energy market ensures that retailers have processes to identify customers that need financial assistance and that programs are in place to assist those customers. EWON encourages retailers to explore ways that existing affordability programs could be used to assist customers facing financial vulnerability to meet the costs of upgrading a metering installation (for example, asbestos removal, installing isolation switches and replacing meter boards). EWON also supports providing exemptions to a meter life span in situations where retailers have identified a customer as being at risk of financial vulnerability.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 3**: Solar connection delays	**3a.** Are the current installation timeframes, and the measures to monitor compliance with those timeframes, that are required under the national rules appropriate?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 3**: Solar connection delays	**3b**. Are you aware of any regulatory or non-regulatory barriers that may be contributing to delays in the installation of smart meters?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 3**: Solar connection delays	**3c.** What additional measures would need to be implemented to unlock these customer benefits?	No Comment.

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Part 1: Digital energy technologies	Smart Electricity meters	**Issue 3**: Solar connection delays	**3d.** Are there any benefits for customers to allowing third parties to be able to manage the installation of a smart meter on their behalf?	Currently, customers can resolve meter installation disputes though EWON because the National Electricity Rules and the National Energy Retail Rules make a retailer responsible for the metering installation even though the work may be carried out by a metering provider appointed by the retailer. Metering providers and solar installers are not required to become members of EWON. If a third party provides the metering, then the customer may not easily be able to resolve disputes. If the current framework is changed to allow third parties to install meters, those changes must include consumer protections that are equivalent to the protections provided by NECF and give consumers access to external dispute resolution to resolve metering problems. Customers need to be provided with adequate consumer protections around: • adequate notice of installation • time-frames for third-parties to respond to requests for a meter installation • time-frames for third-parties completing meter installations • access to energy specific external dispute resolution.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 4**: Meter board upgrades	**4a.** Should there be a requirement to replace meter boards that are older than a specified age (e.g. 30 years) as a prerequisite to installing a smart meter?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 4**: Meter board upgrades	**4b.** What challenges would prevent electricity retailers and metering providers from offering a meter board survey service to customers before a smart meter is installed?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 4**: Meter board upgrades	**4c.** If a meter board survey service can be provided, how much should customers pay for the service? Can the service be offered for free?	**Consumers at risk of financial vulnerability** As noted in our answer to question (2f), there is no specific financial assistance available for vulnerable customers who are required to pay for meter board upgrades. If a meter board survey service cannot be provided free of charge, retailers must first assess the customer's capacity to pay for the service. If the meter board survey service is provided free of charge, this may help customers that are at risk of financial vulnerability to anticipate the cost of altering a meter installation or to seek assistance.

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				Tenants Clause 12 of the *Residential Tenancies Regulation 2019* (NSW) states that a landlord must pay the costs and charges for repair, maintenance or other work carried out on the residential premises for the installation or replacement of an electricity meter. This includes situations where the meter is faulty, the meter fails a meter test, or the meter has reached end-of-life. If a meter board survey service is introduced, it must be structured in a way that does not require tenants to pay for a service they are not liable for.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 4**: Meter board upgrades	**4d.** Should electricity retailers and/or metering providers receive a report on the state of a customer's meter board? If not, why?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 4**: Meter board upgrades	**4e.** What are the challenges to using an existing platform to enable metering providers to register and share the state of a customer's meter board with other energy market participants?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 4**: Meter board upgrades	**4f.** Are these options suitable for customers in regional and rural areas, or are there other options that should be considered to meet the needs of these customers?	It is EWON's observation that many of the problems that come with meter installations occur in regional and remote areas. For example, the known problems of mobile black spots and other legacy issues, such as the number of regional properties with master/subordinate metering set ups. EWON data shows that complaints about meter installations take longer on average to resolve for customers in outer regional and remote areas. This aligns with EWON's experience resolving individual metering complaints from country and remote areas. If a meter board survey service is introduced to regional and remote areas, to be effective, it may also need to assess the whole existing metering situation, for example whether the property is serviced by multiple meters, or if the site is a mix of residential and business use (such as a primary producer).
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 4**: Meter board upgrades	**4g.** What is the best way to provide customers, solar panel installers and electricity retailers with information about meter board upgrades?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 5**: Sample meters	**5a.** Are there broader benefits (beyond the financial settlements	No Comment.

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			process) to retaining controlled load profiles in New South Wales?	
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 5**: Sample meters	**5b**. Are the costs to enable smart meters to determine the controlled load profiles less than the benefits from the information?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 5**: Sample meters	**5c**. What alternative options should be considered?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 6:** Consumer protections for remote vs manual re-energisation and de-energisation	**6a**. Should the same obligations be applied to both manual and remote re-energisation and de-energisation services?	EWON supports applying the existing consumer protections for de-energisation and re-energisation.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 6:** Consumer protections for remote vs manual re-energisation and deenergisation	**6b**. Do you foresee any unintended consequences of aligning these obligations?	No Comment.
Part 1: Digital energy technologies	Smart Electricity meters	**Issue 6:** Consumer protections for remote vs manual re-energisation and de-energisation	6c. Do you consider there to be any barriers that may prevent a customer being afforded the same protections if they have been remotely re-energised and/or de-energised?	**Informal safeguard against de-energisation for non-payment** Many customers at risk of disconnection due to non-payment, contact EWON every year because a technician from the network had attended their property to disconnect for non-payment. During the site visit, the customer engaged with the technician and agreed to contact EWON for assistance obtaining a payment plan, and the distributor had delayed the disconnection of the property to allow the customer to resolve their payment difficulties. While this is very positive, too many customers who have not been home when the technician arrives, are instead disconnected. EWON's experience is reflected in the recent 'Knock before you disconnect' programs that have been run by all three networks: Essential Energy, Endeavour Energy and Ausgrid. These programs involve field crews delivering letters/leaflets to customers at risk of disconnection advising them to contact their retailer

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
				regarding outstanding payments. The outcome of the programs was a significant number of disconnections were cancelled, keeping customers connected[2]. The introduction of remote de-energisation and re-energisation will mean this face-to-face interaction with the customer which can help prompt the customer to engage with their retailer or EWON, and help them avoid disconnection, will no longer happen. Additional engagement by distributors with customers at risk of disconnection is not a formal consumer protection, but it is a critical step for some vulnerable customers to be prompted to engage with their retailer or the energy ombudsman. EWON recommends that industry continue to explore options around better engagement with customers at risk of disconnection. EWON also notes that the AER is currently exploring options around improved engagement between energy businesses and consumers at risk of disconnections through their draft vulnerability strategy. **Time frames for re-energisation** The introduction of remote de-energisation and re-energisation also presents an opportunity to review the regulated time frames for re-energisation. The *Electricity Supply (General) Regulation 2014* sets a time-frame that retailers must comply with following a retailer's request for manual re-energisation (at clause 10B(2)): *The retailer must take steps to ensure that a metering provider carries out the remote re-energisation—* *(a) if the customer's request is made before 3 pm on a business day—by not later than the end of the next business day following the day the customer's request is made, or* *(b) if the customer's request is made after 3 pm on a business day—by not later than the end of the second business day following the day the customer's request is made.* Any instance of de-energisation for non-payment has a significant impact on the economic, physical, and social wellbeing on individuals in a household. EWON supports any measures to shorten this timeframe now that retailers have access to remote re-energisation.
Part 1: Digital energy technologies	Hot water embedded networks	**Issue 7:** Enhancing protections for hot water embedded	**7a**. Is it appropriate to require the sale of hot water to be treated as the sale of energy, to allow hot water embedded network customers to be	The increase in the number of customers who are sold hot water within apartment buildings is directly linked to the growth of gas embedded networks following the introduction of a gas boundary tariff by Jemena Gas Networks in 2015.

[2] See 2021 Industry disclosures for Ausgrid, Essential Energy and Endeavour Energy (https://theenergycharterpanel.com.au/industry-disclosures/)

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		network customers	given similar consumer protections as those in traditional common hot water systems?	It does not appear that embedded network customers are being sold a bundled product of gas and (hot) water. Instead, the water meter is being used to measure the amount of gas used by each customer connected to the common hot water system. This is supported by the AEMO procedures and the Jemena Design Guide for Gas Centralised Hot Water Systems[3]. Further information that supports this position is: • In NSW, accounts with the licenced water provider are opened with the transfer of property titles, and new connections form part of the development approval process. Therefore, only individuals and businesses that own a property, or an owner's corporation, will hold a water account with the licenced water provider. For example, the Sydney Water Multi-level individual metering guide outlines how the usage for centralised hot water systems within residential buildings is charged to owner's corporations. This document explains that the owner's corporation is charged for the total amount of water used in the centralised hot water system and these charges are typically then apportioned to individual owners through strata levies. This means only an owner's corporation could be on-selling the water used in the centralised hot water system. • Many residents living in embedded networks are required to open a gas account and pay for water heating services and water heating services in embedded networks are managed by for-profit energy companies. However, due to basic structure of retail services from licenced water providers, it is unlikely the charges include the cost of the water used in the system. Unless the embedded network operator is selling water within the network, it is important that the billing of the customer reflect what us being on-sold to them, which appears to be only energy (gas). This would also help align the consumer protections for gas embedded network customers with the consumer protections available to retail gas customers.
Part 1: Digital energy technologies	Hot water embedded networks	**Issue 7:** Enhancing protections for hot water	**7b**. Do you foresee any unintended consequences of requiring hot water embedded network operators to bill	In NSW there is a pre-existing group of at least 252,841 retail gas customers: • that have their gas consumption measured using a hot water meter owned, maintained, and operated by Jemena

[3] https://jemena.com.au/getattachment/fa5fa351-ccc0-4fe7-aaa6-bf7b08bf8764/Design-guide-for-gas-centralised-hot-water-systems.aspx

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
		embedded network customers	customers for hot water in the underlying energy source (in cents per megajoule or kilowatt hour), rather than as a separate 'hot water' product (in cents per litre)?	• their hot water meter forms part of the gas delivery point as per the Gas Retail Market Procedures and the customer is allocated a MIRN. • their energy consumption is calculated using a methodology set by the Gas Retail Market Procedures and based on the flow of water through the hot water • they are billed for their energy consumption by an authorised energy retailer and receive the full set of consumer protections under NECF. Given that this regulatory arrangement has been in place in NSW for decades for this number of customers the benefit of aligning consumer protections for all gas customers will outweigh any potential costs to retailers and embedded network operators responsible for metering.
Part 1: Digital energy technologies	Hot water embedded networks	**Issue 7:** Enhancing protections for hot water embedded network customers	**7c.** Do you consider there to be any barriers that may prevent a hot water embedded network operator from billing customers in the underlying energy source?	No Comment.
Part 1: Digital energy technologies	Hot water embedded networks	**Issue 7:** Enhancing protections for hot water embedded network customers	**7d.** Do you consider the AEMO Retail Market Procedures (NSW and ACT) formula for the calculation of energy usage to be appropriate and reasonable for use within hot water embedded networks?	It is important to note that the establishment of gas embedded networks and the process for calculating usage of each individual customer has also been supported by guidance by Jemena Gas Networks (see Design Guide for Gas Centralised Hot Water Systems)[4].
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 8:** DER in New South Wales	**8a.** Are the suggested guiding principles appropriate and adequate to guide government strategy for enabling high levels of active DER in New South Wales?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 8:** DER in New South Wales	**8b.** What practical measures should the government consider to support DER and the suggested guiding principles?	No Comment.

[4] https://jemena.com.au/getattachment/fa5fa351-ccc0-4fe7-aaa6-bf7b08bf8764/Design-guide-for-gas-centralised-hot-water-systems.aspx

<table>
<tr><th>Consultation Section</th><th>Consultation topic</th><th>Consultation Issue</th><th>Consultation Question</th><th>EWON Policy Team comment</th></tr>
<tr><td>Part 2: The future of distributed energy resources</td><td>Distributed energy resources</td><td>Issue 8: DER in New South Wales</td><td>8c. How can the government support greater demand side participation and flexibility for customers and market participants?</td><td>No Comment.</td></tr>
<tr><td>Part 2: The future of distributed energy resources</td><td>Distributed energy resources</td><td>Issue 8: DER in New South Wales</td><td>8d. What material concerns and barriers will need to be mitigated to support DER?</td><td>Disputes that involve behind the meter products make up at least 15% of the electricity complaints received by EWON each quarter. The behind-the-meter products that are often part of a customer’s complaint include:
rooftop solar (PV) systems
solar hot water heaters
home storage/solar batteries
electric vehicles
demand response products, like virtual power plants.
A central theme that can be drawn from customer complaints is the difficulty some customers have of navigating the two different customer frameworks for the sale and installation of behind-the-meter products, and the retail energy contracts that are expected to deliver many of the financial benefits from the operation of the products. The different application of the Australian Consumer Law (ACL) for behind-the-meter products and the National Energy Customer Framework (NECF) for energy contracts has sometimes made it difficult to resolve customer disputes.
The operation of two different regulatory frameworks can be frustrating for customers when problems arise, particularly when the customer views the DER product and the network as part of the same essential service. The energy framework is no longer focused on the customer – instead it is designed around the service provider. The below table illustrates how consumer protections for energy have become fragmented:<table><tr><th>Australian Consumer Law (ACL)

NSW Fair Trading
(ie no consumer access to EWON / free, fair and independent dispute resolution)</th><th>National Energy Customer Framework (NECF)

Energy & Water Ombudsman NSW (EWON)</th></tr><tr><td>Quality of product
(solar panels, inverter, battery)</td><td>Solar feed-in tariffs</td></tr><tr><td>Installation of behind-the-meter product</td><td>Installation and maintenance of meter</td></tr><tr><td>Marketing of behind-the-meter products</td><td>Marketing of energy contracts</td></tr><tr><td>Contracts for demand response products</td><td>Retail energy contracts</td></tr></table></td></tr>
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Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment

Solar Power Purchase Agreements	Disputes about electricity exported to grid
Finance for behind-the- meter products	Retail and network tariffs
Disputes over payment and debt	Energy affordability and financial hardship
Access to energy generation and export data	Access to energy usage and export data

Although different rules and laws apply to the different energy services used by customers, it has become almost impossible for EWON to separate a customer's complaint about a retail electricity bill from their expectations about the financial returns they should be receiving from their behind-the-meter product. It also means that some behind-the-meter complaints are outside EWON's jurisdiction.

We are currently exploring how we can expand jurisdiction to include disputes that we could resolve (ie sale of solar systems given representations / output result in what is on the customer's bill), while being mindful that some complaints should remain covered by the ACL ie warranty for inverters /solar panels.

EWON receives the following types of complaints related to DER products (see also Case studies 4 and 5):

- energy affordability
- retail and network tariffs
- confusion caused by the white labelling of energy contracts
- quality/reliability of network services
- marketing of energy offers that include benefits for behind-the-meter products
- marketing, installation, and quality of behind-the-meter products by energy retailers and non-energy retailers
- the failure of the retail energy market to deliver the expected benefits of a behind-the-meter product – often due to promises made by the solar retailer which were false or misleading
- the operation of demand response products
- financing for rooftop solar systems and batteries.

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
				EWON provides case studies and consumer stories about behind-the-meter products in our quarterly report, EWON Insights[5]. The current issue (December 2021) provides case studies illustrating how customers need to navigate two different consumer frameworks to resolve disputes that involve DER[6]. EWON Insights (June 2020) [7] provides an overview of the consumer issues raised in complaints to EWON involving DER. These two reports clearly indicate the increase we are experiencing in out of jurisdiction complaints – which has an impact on consumer trust in government and the energy sector.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 8:** DER in New South Wales	**8e.** What could be done to ensure vulnerable, low-income and other 'locked out' households are not disadvantaged by the energy transition?	EWON supports the work to close the gap between those consumers that can access DER products at households that are locked out. It is important, however, that adequate consideration is given to the additional consumer protections that may be needed for products designed to help these groups access DER products. For example, EWON has observed the development of solar products for tenants, which are often designed as solar power purchase agreements. The agreement provides access to solar energy for the tenant who is often billed for all the energy generated by the system. The agreement may also provide revenue to the landlord who may be given a share of what is paid by the tenant or paid for renting their roof space to the solar company. The solar company who installs the system profits by billing the tenant for the energy generated by the system. These agreements are not covered by the energy specific consumer protections contained in NECF and it is critical that tenants are provided with access to information about the billing of their usage, and that the power purchase agreement does not place obligations on the customer that go beyond their obligations as a tenant, such as high exit fees when they end their tenancy. It is important that in situations where a tenant may feel forced to accept a solar power purchase agreement to obtain a lease that price protections are provided.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 8:** DER in New South Wales	**8f.** What can the government do to improve equity of access to the benefits of clean energy	No Comment.

[5] https://www.ewon.com.au/page/publications-and-submissions/reports/EWON-Insights

[6] https://www.ewon.com.au/page/publications-and-submissions/reports/EWON-Insights/ewon-insights-oct-dec-2021

[7] https://www.ewon.com.au/content/Document/Publications%20and%20submissions/EWON%20Insights/2020/EWON_Insights_Public_apr-jun2020.pdf

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
			solutions?	
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 8:** DER in New South Wales	**8g.** How can the government help to unlock the full value of DER and load flexibility on the distribution network, and ensure asset owners are properly protected and compensated?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 8:** DER in New South Wales	**8h.** What are the most promising clean energy solutions for delivering material private, network and market benefits?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 9:** Enabling flexibility and dynamic operating envelopes	**9a.** How can customers be encouraged to only install solar systems that suit their current consumption needs? What would be the most effective measure to achieve this aim?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 9:** Enabling flexibility and dynamic operating envelopes	**9b.** Will changing usage and system demand profiles likely disrupt grid security and reliability in New South Wales, and if so when and how?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 9:** Enabling flexibility and dynamic operating envelopes	**9c.** What can the NSW Government do to mitigate the potential problem of breaching lack of load thresholds?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 9:** Enabling flexibility and dynamic operating envelopes	**9d**. How can the NSW Government best enable dynamic operating envelopes?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 9:** Enabling flexibility and dynamic operating envelopes	**9e.** What issues or barriers, including around consumer protections, need to be considered if implementation of dynamic export limits is pursued?	The introduction of dynamic export limits will face similar challenges to the transition to cost reflective network tariffs. The central barrier to transitioning energy consumers to new approaches to connecting to, and using, the network is educating customers and/or providing customers with adequate information for them to make the best investment decisions. For further detail, see our response to questions (1c) and (1e).

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				Complaints received by EWON about DER are frequently concerned with the information available to customers when making the decision to invest in solar/batteries. Some customers complain to EWON that the actual benefits they receive from their behind-the-meter product do not match the promises that were made to them by the solar installer or their energy retailer. This frustration is often caused because the customer was not given adequate information about how their meter and/or network tariff would change after their inverter was connected to the grid. Standardised clear and accessible information should be made available to customers about the network connection policies **before** a customer makes decides to invest in solar and other behind-the-meter products.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 9:** Enabling flexibility and dynamic operating envelopes	**9f.** Are there NSW-specific customer, grid infrastructure and/or technological issues that should be considered in enabling dynamic operating envelopes?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 10:** Quality, standards and compliance	**10a.** How can solar installers and DNSPs ensure all inverters (new and legacy) are set correctly and have the correct capabilities activated?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 10:** Quality, standards and compliance	**10b.** Is there value in DNSPs being able to remotely access or communicate with DER assets on their network to check and dynamically manage settings in accordance with changing conditions on the network?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 10:** Quality, standards and compliance	**10c**. If an additional check of the inverter setting is required, who would be best placed to carry this out?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 10:** Quality, standards and compliance	**10d.** Should New South Wales fast track mandating that all new DER installed must be active (i.e. visible and controllable)? What approaches should be considered to ensure these assets are active?	No Comment.

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 10:** Quality, standards and compliance	**10e.** What frameworks or measures should the government consider putting in place to ensure installed DER systems are compliant with the relevant technical and quality standards?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 11:** Improving the visibility of residential DER and data management	**11a.** Is the AEMO DER register the best way to improve the visibility of DER in New South Wales? What better approaches should be considered?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 11:** Improving the visibility of residential DER and data management	**11b.** What should the NSW Government do to help improve the visibility of changing operating conditions across the distribution network? Are behind the meter DER assets a viable and cost-effective solution?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 11:** Improving the visibility of residential DER and data management	**11c.** What would an ideal system, data collection and notification process look like to have the best oversight of these assets? Who should be responsible for this system?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 11:** Improving the visibility of residential DER and data management	**11d.** Should there be different notification requirements based on the size or capacity of the EV charging or other DER infrastructure not already captured by the DER register (i.e. 7 kilowatt or 50 kilowatt chargers)?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 11:** Improving the visibility of residential DER and data management	**11e.** How can installers of DER be supported to ensure robust reporting of DER data to networks and AEMO? How should compliance be enforced?	No Comment.

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 11:** Improving the visibility of residential DER and data management	**11f.** What should the NSW Government consider in working with AEMO to expand the DER register to incorporate new controllable loads not already captured by the register?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 12:** Community batteries and emerging technologies	**12a.** Are there any concerns about community batteries (or other similar DER innovations) from a system or customer perspective that should be considered as part of any future strategy or reform?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 12:** Community batteries and emerging technologies	**12b.** What technical and regulatory changes that have not already been addressed, should be considered to enable the full value of community batteries and other DER solutions to be unlocked?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 12:** Community batteries and emerging technologies	**12c.** Are there any technical requirements or standards that should be developed to support the safe and efficient rollout of these kinds of emerging solutions?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 12:** Community batteries and emerging technologies	**12d.** Are community batteries an economically effective solution to managing the increasing amount of generation from rooftop solar PV on the distribution network? If not, what other solutions should be considered?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 12:** Community batteries and emerging technologies	**12e.** What are the barriers for developing and implementing a community battery project, and then connecting and operating the battery?	No Comment.
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 12:** Community batteries and	**12f.** What other emerging solutions could enable locked out demographics to participate in the	No Comment.

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
		emerging technologies	energy transition and benefit from clean energy solutions?	
Part 2: The future of distributed energy resources	Distributed energy resources	**Issue 12:** Community batteries and emerging technologies	**12g.** Are there any other ways the NSW Government can support broader rollout of community batteries and other promising DER solutions that can enable locked out demographics to access the benefits of clean energy solutions?	No Comment.
Part 2: The future of distributed energy resources	Electric vehicle charging infrastructure	**Issue 13:** EV infrastructure in existing apartment buildings	**General** **13a**. How can the NSW Government support the residential deployment of electric vehicles and associated charging infrastructure?	If standards, technical requirements, and/or new regulations are introduced, it is critical that accessible information is provided for all consumer groups, including: • owners who are members of a strata committee • apartment owner occupiers who want to access EV charging infrastructure • renters/tenants who want to access EV charging infrastructure.
Part 2: The future of distributed energy resources	Electric vehicle charging infrastructure	**Issue 13:** EV infrastructure in existing apartment buildings	**EV charging infrastructure installation practices** **13b.** What are the roadblocks to the installation of EV charging infrastructure in apartment buildings?	No Comment.
Part 2: The future of distributed energy resources	Electric vehicle charging infrastructure	**Issue 13:** EV infrastructure in existing apartment buildings	**13c.** Of the three methods listed above, what is the preferred method for connecting EV charging infrastructure in apartment buildings?	No Comment.
Part 2: The future of distributed energy resources	Electric vehicle charging infrastructure	**Issue 13:** EV infrastructure in existing apartment buildings	**13d.** Do owners' corporations or strata managers have any concerns about residents contracting licensed electricians to install private charging infrastructure in their parking space and connecting it to their apartment's electricity meter?	No Comment.
Part 2: The future of distributed energy resources	Electric vehicle charging infrastructure	**Issue 13:** EV infrastructure in existing apartment buildings	**13e.** Should there be different connection requirements based on the size or capacity of the EV charging infrastructure (i.e. 7 kilowatt or 50 kilowatt chargers)?	No Comment.

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
Part 2: The future of distributed energy resources	Electric vehicle charging infrastructure	**Issue 13:** EV infrastructure in existing apartment buildings	**EV charging infrastructure usage and billing practices** **13f.** Who would be best placed to own and operate EV charging infrastructure in apartment buildings?	No Comment.
Part 2: The future of distributed energy resources	Electric vehicle charging infrastructure	**Issue 13:** EV infrastructure in existing apartment buildings	**13g**. How should the costs of the EV charging infrastructure in the apartment building be accounted for?	No Comment.
Part 2: The future of distributed energy resources	Electric vehicle charging infrastructure	**Issue 13:** EV infrastructure in existing apartment buildings	**13h.** Do electricity retailers or any other entities offer any specialised plans or discounts to incentivise EV charging infrastructure in apartment buildings?	No Comment.
Part 2: The future of distributed energy resources	Electric vehicle charging infrastructure	**Issue 13:** EV infrastructure in existing apartment buildings	**13i**. Would it be fair to charge EV charging infrastructure users fees for installing, maintaining and operating the EV charging infrastructure in strata schemes (in addition to energy consumption charges)? Who should pay for these and why?	No Comment.
Part 2: The future of distributed energy resources	Electric vehicle charging infrastructure	**Issue 13:** EV infrastructure in existing apartment buildings	**13j.** Should energy consumption from EV charging infrastructure on common property be paid for by users or borne by the owners' corporation?	No Comment.
Part 2: The future of distributed energy resources	Electric vehicle charging infrastructure	**Issue 13:** EV infrastructure in existing apartment buildings	**13k.** Who should be responsible for managing and controlling the use of EV charging infrastructure on common property?	No Comment.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 14:** Service delivery mode	**14a.** What are stakeholder views on the AEMC's proposed service delivery model?	Customers living and working in stand-alone power systems (SAPS) will still need to access the same fundamental consumer protections that cover other customers connected to the grid: • rights to access energy services and obligations to offer supply as a designated retailer

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				• informed consent requirements • dispute resolution procedures • minimum contractual standards • billing, tariff, and payment minimum requirements • protections for vulnerable customers • protections for disconnection and reconnection. The proposed AEMC model utilises the existing national energy frameworks to enable customers receiving stand-alone systems to retain all current consumer protections. The AEMC model does not provide additional retail price or competition protections for customers supplied via a DNSP-led SAPS. This is on the basis that access to retail market competition will be maintained under the recommended SAPS service delivery model. However, it is likely that SAPS will be established by distributors in areas that are more costly to maintain network assets – often in regional and remote areas. There is already a reduced level of retail competition for consumers living in remote locations compared to larger regional towns and urban centres. If the AEMC model is adopted in NSW, EWON would strongly support the NSW Government working with the Commonwealth Government to extend the operation of the *Competition and Consumer (Industry Code - Electricity Retail) Regulations 2019* (the DMO) to customers living and working in SAPS. It also recommends that the NSW Government monitor the level of retail competition for this specific group of customers.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 14:** Service delivery mode	**14b.** Should DNSP-led SAPS customers always be required to contract with an energy retailer?	If a regulatory framework is adopted whereby all SAPS customers are directly contracting with distributors as a retailer, consumer protections must still be in place for these customers that are equivalent to the protections contained in the NECF. It is necessary to consider the role that retailers fulfill in supporting customers in financial vulnerability through affordability programs and payment plans. It is EWON's experience from two decades of engaging with energy consumers in regional and remote areas of NSW, that many small remote communities face higher energy costs due to extreme summer and winter temperatures, while also managing higher petrol and grocery costs. it is crucial to understand that the party responsible for providing retail services within a SAPS may face unique challenges depending on the location of the site, such as a high proportion of customers requiring affordability support. It is an unfortunate reality that many customers with deep affordability problems when disconnected respond by accepting an energy offer from another retailer for
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 14:** Service delivery mode	**14c**. Or is direct retail contracting with the relevant DNSP appropriate where the customer provides explicit informed consent? If so, under what circumstances?	

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				reconnection, rather than managing their existing energy debt. This option will not be available when a SAPS customer directly contracts with a distributor. In this situation, consideration needs to be made about how the distributor will respond to customers with complex affordability issues - including how electricity supply will be guaranteed for consumers with unmanageable energy debts.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 14:** Service delivery mode	**14d**. Should the same service delivery requirements be applied for both individual power systems (SAPS supplying single customers) and microgrids?	There is a significant difference between a microgrid serving multiple customers and an individual power system, such as a single household going off grid. It would be appropriate for customers of individual power systems to directly contract with distributors with explicit informed consent – with appropriate consumer protections and oversight.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 14:** Service delivery mode	**14e**. Which service delivery model do stakeholders prefer?	No Comment.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 14:** Service delivery mode	**14f.** Are there other options the NSW Government should be considering?	No Comment.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 15:** Pricing	**15a.** What are stakeholder views on the AEMC's proposed pricing model?	No Comment.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 15:** Pricing	**15b.** To what extent is non-cost reflective pricing a barrier to the roll-out of SAPS systems?	No Comment.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 15:** Pricing	**15c**. Given the limited number of expected SAPS customers in New South Wales, would it be more practical to maintain NEM consistent pricing?	No Comment.

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 15:** Pricing	**15d**. To what extent is the pricing model likely to affect the efficient sizing of the SAPS system and the customer's experience?	No Comment.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 16:** Service classification	**16a**. Do stakeholders feel the AEMC's proposed service classification arrangements are suitable?	No Comment.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 16:** Service classification	**16b.** Do stakeholders feel the AER's final ring-fencing guidelines adequately support DNSPs to provide generation services in the absence of a market for third party provision of SAPS generation services?	No Comment.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 16:** Service classification	**16c**. Should consideration be given to an increased exemption cap above that provided by the AER's national exemption cap?	No Comment.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 16:** Service classification	**16d.** Are stakeholders of the view that some form of change is needed to enable network ownership of SAPS generation assets?	No Comment.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 16:** Service classification	**16e**. Which service classification option do stakeholders prefer?	No Comment.
Part 2: The future of distributed energy resources	Distributor-led stand-alone power system regulatory framework	**Issue 16:** Service classification	**16f.** Are there other options the NSW Government should be considering?	No Comment.

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Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 17:** Access to information	**17a.** What kind of information, or which topics, do customers find most challenging or confusing to find information about in relation to smart meters, DER and/or other energy technologies?	EWON has provided an overview of the consumer issues faced by customers investing in DER in its responses to questions (8d) and (1e).
				It is critical that consumers have access to adequate information **before, or at the time of**, deciding to invest in DER. This includes the customers decision about the size and capacity of the system they wish to purchase.
				Based on complaints received by EWON, information should be made more accessible to customers investing in DER on topics such as:
				• network connection policies (including export limits, voltage standards, and the process for connection applications)
				• metering requirements for DER products. EWON frequently receives complaints from customers who have purchased and installed DER products but have not been made aware of the metering requirements for the system
				• the network tariff assignment policies adopted by distributors. It is critical for customers to understand how installing DER might change the tariff options that will be available to them on the retail market
				• how installing DER may impact on the customer's eligibility to remain on their current retail contract, with their current retail tariff. If installing solar/batteries will void their current tariff, or benefits, this needs to be made clear to the customer before they make a change
				• any limits that retailers place on energy offers with solar credits must be made clear to customers when making the decision to invest in DER. For example, a retailer may offer a high feed-in tariff but limit this offer to customers with systems of 5kW or under. Customers must have access to clear information about these eligibility conditions of retail offers before deciding to invest in DER products, and what size to obtain
				• clear information on their rights under the NECF and ACL must be made available to customers should performance of the DER system not meet their expectations or the promises made by retailer or installer. For example:
				  ○ consumer guarantees on products and services
				  ○ their right for repair, replacement, or refund
				  ○ compensation for damages and losses
				  ○ warranties.

Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 17:** Access to information	**17b.** Are customers likely to access the information on a website using a desktop browser or a mobile device?	No Comment.

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 17:** Access to information	**17c.** Would customers prefer to focus their research journey by learning about the various technologies available to them, or by learning about their specific dwelling type?	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 18:** Electricity retailers' emissions performance	**18a.** Would customers prefer to review emissions performance based on the electricity retailer (i.e. the business) or based on the electricity plans offered?	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 18:** Electricity retailers' emissions performance	**18b.** Where would customers prefer to see information about retailer emissions (e.g. on a bill, on the retailer website, on a retail plan comparison site, or a combination)?	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 18:** Electricity retailers' emissions performance	**18c**. Are there existing frameworks that electricity retailers use, or can use, to report on emissions and/or offsets? If so, how can these frameworks incentivise renewable energy generation over carbon offsets to ensure avoided emissions are rated highly	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 18:** Electricity retailers' emissions performance	**18d**. What information to retailers already collect about the generation sources when purchasing electricity; for example, to meet internal targets or the RET? (Responses flagged as commercially sensitive will not be shared.)	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 18:** Electricity retailers' emissions performance	**18e.** What offset programs do electricity retailers currently participate in? Are the programs in Australia or international?	No Comment.

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 18:** Electricity retailers' emissions performance	**18f.** What actions, if any, do electricity retailers take to promote GreenPower? Do electricity retailers offer GreenPower at a competitive market rate, or absorb any of the costs? How many of your customers opt-in to GreenPower?	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 18:** Electricity retailers' emissions performance	**18g.** Do retailers foresee any complexities or challenges reporting on the draft criteria?	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 18:** Electricity retailers' emissions performance	**18h**. How often should the information about retailers' emissions performance be reported: monthly, quarterly, annually (by calendar year or financial year)?	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 19:** Definition of life support equipment for energy rebates	**19a.** Are customers and energy retailers aware of new, energy efficient or emerging life support equipment that are not eligible for the NSW LSR?	The list of life support equipment set for the NSW Life Support Rebate could be aligned with the Commonwealth Government's Essential Medical Equipment Payment (EMEP): Eligible equipment for Essential Medical Equipment Payment - Essential Medical Equipment Payment - Services Australia. An example of how this may benefit customers is the current restriction of the rebate to power wheelchairs for quadriplegics only. The Essential Medical Equipment Payment also appears to extend the payment to people with paraplegia who use power wheelchairs. Extending the NSW LSR to a larger group of electric wheelchair users would help improve energy affordability for people living with lifelong disabilities.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 19:** Definition of life support equipment for energy rebates	**19b**. How often do energy retailers reject an application for the NSW LSR based on equipment type (if this data is available)?	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 19:** Definition of life support equipment for energy rebates	**19c.** Can electricity retailers advise how many of their customers have notified it of life support equipment requirements but do not receive the LSR in New South Wales?	No Comment.

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 19:** Definition of life support equipment for energy rebates	**9d.** How often should the NSW Government review its list of approved life support equipment?	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 19:** Definition of life support equipment for energy rebates	**19e.** How can medical declarations that support a customer's need for life support equipment be automated to reduce the burden on impacted customers?	For a customer to be eligible for the Life Support Rebate, relevant parts of the application form must be completed and signed by both the applicant and a medical practitioner (B3.2.5). Customers must re-apply for the rebate every two years (B3.2.5). On 25 February 2021, the Australian Energy Market Commission (AEMC) made the *National Energy Retail Amendment (Maintaining life support customer registration when switching) Rule 2021*. One of the key features of the rule change was that it allows customers to reuse medical confirmations that were submitted to the customer's previous retailer for the purpose of providing medical confirmation to their new retailer, provided the forms are no more than four years old and are legible. EWON initially proposed the rule change after life support customers told EWON that it was onerous and expensive to make an extra visit to their medical practitioner solely for the purpose of again providing medical confirmation of life support. This was seen by these customers as a barrier to switching retailers, and a cause of stress. EWON received several complaints about this requirement. EWON recommends that the eligibility requirement of the Life Support Rebate be amended so it is at least aligned with the four-year period to reuse life-support registration forms introduced in the AEMC rule change. EWON also calls for a rethinking of the eligibility criteria for the Life Support Rebate to allow a single application for life support customers whose condition will not change. Allowing a customer with a lifelong condition to not have to reapply every two years (or even four years) for the rebate would not only reduce the burden on customers but also reduce the administrative burden for the government and energy providers.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 20:** Digitalising engagement with DNSPs	**20a**. Would customers and DNSPs benefit from greater digitalisation of communication between them?	EWON supports DNSPs exploring more effective ways to engage with their customers. However, as a significant portion of Australians continue to face

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
				challenges with literacy[8], connectivity, and access to online technologies there should also continue to be an onus of direct engagement with customers. Any digitalisation of communication between the DNSP and its customers should be dictated by customer preference. Digital communication should also not wholly replace notices sent by post but enhance the existing communications options with customers.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 20:** Digitalising engagement with DNSPs	**20b**. Are there current barriers to DNSPs communicating to customers electronically?	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 20:** Digitalising engagement with DNSPs	**20c.** Would the development of systems that support customers opting-in to receive electronic communications and notices from their DNSP be of value?	EWON supports the development of systems that support customers opting-in to receive electronic communications and notices from their DNSP. The form of communication should be based on the customers preference, and it is important that notices (such as notification of planned outages) continue to be sent by mail – though these could be duplicated in an electronic format.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 21:** Improving access to data on customers of embedded networks	**21a.** If embedded network operators were required to report on their 'child' connection points, should this reporting be done to the AER or their local electricity distribution network?	The National Energy Retail Law (NERL) and the National Energy Retail Rules (NERR) require the AER to keep a public register of authorisations and exemptions. The Register must include the names and business addresses of exempt sellers and networks who have registered with the AER as belonging to a class of persons subject to a registrable exemption. The Register may also include other particulars and information relating to exempt sellers and other matters that the AER considers relevant (including the number of customers). It is important to note that the information reported by embedded networks when they first register an exemption with the AER or when they first connect to the network may change. This is particularly true of a staged development where additional buildings or lots are added to the site over time. Critically, the register of exemptions is largely reliant on embedded network operators updating information, such as customer numbers, as arrangements within their network changes. If a regulatory requirement for distribution networks to request information from embedded network operators is introduced, it is important that this process is ongoing at capturing changes to each embedded network site.

[8] The Consumer Policy Research Centre estimated that 44% of Australians have literacy levels below what is considered enough to get by in everyday life. See Exploring regulatory approaches to consumer vulnerability: A report for the AER | Australian Energy Regulator.

Consultation Section	Consultation topic	Consultation Issue	Consultation Question	EWON Policy Team comment
				If information is collected by the distributor, it is important that it be made available to the AER and EWON.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 21:** Improving access to data on customers of embedded networks	**21b**. Other than status as an embedded network, and the number of 'child' connection points, what other data reporting requirements would be of value?	As noted above, the information reported by an embedded network when they first register an exemption with the AER, or when they first connect to the network may change. The changes that often occur within an embedded network are also often to do with the ownership and management of the network. These kinds of changes have posed a challenge for EWON as it has engaged with exempt entities (such as embedded networks) for membership. A lack of transparency on which entity is the network and retail customer at a parent connection point can also create confusion and uncertainty for consumers. Identification of which entity is the retail customer at the parent connection point is critical for understanding what consumer protections apply within the embedded network. For example, if an authorised energy retailer is the customer at the parent connection point to a land lease community (residential park), the electricity charges passed on to residents are no longer covered by the Residential (land Lease) Communities Act and instead come under the NERL and the NERR. In comparison, it is relatively easy for consumers directly connected to the network to find out which retailer is the Financially Responsible Market Participant (FRMP) for their property. It would assist overall transparency of the embedded network industry if networks collected up-to-date information on which entity was the customer at a parent connection point and made this information available to EWON and consumers.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 22**: Other improvements	**22a.** Is there any other NSW energy related information that could be made more digital friendly?	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 22**: Other improvements	**22b.** Are there any other NSW Government energy related processes that could be digitalised or streamlined, including for industry?	No Comment.
Part 3: Energy customers' digital journey	Digitalisation of the energy market	**Issue 22**: Other improvements	**22c**. Are there any new or emerging customer needs in the energy space that government should explore?	No Comment.

Case studies

Case study 1

A customer agreed to a new market plan and was quoted flat tariff prices the day before his meter was replaced with a smart meter. He was not informed that his tariff would change to time-of-use once the smart meter was installed.

A customer's energy plan was due to expire, so he contacted his retailer on 5 July 2021 and agreed to a new twelve-month market offer. The retailer quoted flat tariff prices. He received an email on 7 July 2021 confirming the new market offer, but then received an email on 9 July 2021 indicating he would be charged different prices. He contacted his retailer and was advised that his meter was replaced with a smart meter on 6 July 2021 and the tariff was automatically changed to a time-of-use tariff. He contacted EWON as he felt the retailer had misled him when he agreed to the market plan on 5 July 2021 by not explaining what would happen when his meter was exchanged the following day. He also thought his retailer should have given him a choice about what would happen with the tariff. He wanted the retailer to honour the flat tariff prices he agreed to.

EWON initially referred the complaint back to the retailer at a higher level, but the customer returned advising that the retailer was unable to resolve the complaint.

EWON spoke to the retailer and it confirmed that the meter was replaced due to a family failure notification. When the retailer initially provided the market offer quote, the tariff was still a flat tariff. It was updated to a time-of-use tariff when the smart meter was installed on 6 July 2021, in line with network's guidelines in the customer's area. The customer had agreed to flat rate prices that were 15% off the reference price, and the retailer confirmed his time-of-use prices would still be 15% off the relevant reference price. While the retailer was not obligated to advise the customer of the tariff change prior to the smart meter installation, it acknowledged that it was unfortunate timing and poor customer experience. The retailer considered the customer may be better off on time-of-use rates, but that it could submit a request to the network to change it back to a flat rate with no guarantee the network would approve it. The retailer also offered a customer service credit of $200.

The customer confirmed that he would prefer to be charged at a flat rate if possible, and the retailer submitted a change request to the network. The customer agreed to follow up directly with the retailer regarding the status of the tariff change request, acknowledging that he may have to remain on a time-of-use tariff depending on the network's response. The customer accepted the resolution.

Case study 2

A customer was not provided with accurate advice when purchasing a rooftop solar system about how a new meter would come with a new network tariff assignment. The customer complained that he was not informed that this would limit the retail energy offers available to him.

A customer recently installed a rooftop solar system at his supply address. Prior to arranging for the installation of the rooftop solar system, the customer had contacted his energy retailer to find out what his energy plan options were. He was told that he could remain on his current contract, which had a flat rate tariff. When the solar installation was completed, the customer's retailer completed the installation of a digital meter on 21 January 2022. The customer then received a notice from his retailer that he was being placed on a new energy plan that included a time-of-use rate tariff. The customer called the retailer and complained about being changed to a new tariff. The retailer advised the customer that the tariff is assigned by the distributor, and it was unable to offer the customer an alternative tariff option. The customer complained to EWON that he was not provided with accurate information by his retailer when he contacted them at the time of deciding whether to invest in the rooftop solar system. The customer considered that the limitation placed on his tariff options now meant that his costs would be higher.

EWON referred the matter to the energy retailer, for resolution at a higher level with the customer's acceptance knowing he could return to us if he was unhappy with the outcome.

Case study 3

A customer complained about a lack of notice, information, and support from his energy retailer when being changed to a demand tariff

A customer installed a rooftop solar system and had a digital meter installed by his energy retailer at the supply address. The customer was then notified by his retailer that his energy plan would be changed to include a demand tariff for billing his energy consumption. The customer had always been on a flat rate tariff prior to this change. The customer advised EWON that he had not consented to a change in tariff and that he was not advised by his retailer about any tariff change prior to the meter installation. The customer had tried to find information on demand charges but could not find anything that explains the charges. The customer complained to his retailer about the tariff change and was told he only qualified for either a demand charge or a time-of-use tariff. The customer complained to EWON that he had not received an adequate explanation of the tariffs from his retailer, and he received poor customer service through the lack of information and assistance he received trying to resolve the issue.

EWON referred the matter to the energy retailer, for resolution at a higher level with the customer's acceptance knowing he could return to us if he was unhappy with the outcome.

Case study 4

A customer does not receive the full benefit he expected from participation in a virtual power plant due to problem with the installation of the system by a third-party.

A customer agreed to an energy plan with an authorised energy retailer (under a white label) that included participation in a virtual power plant. The retailer offered a range of plans where the customer would pay a fixed charge per month for their energy usage, based on the capacity of their solar PV panels, a minimum amount of solar generated annually, and the capacity of the battery. The contract also set a cap on the household's annual usage, set a rate ($/kWh) if the customer's usage went over the cap, and allowed the retailer to remotely control the customer's battery as part of the virtual power plant. The customer purchased the battery from the battery provider and paid a third-party solar installer to install the rooftop solar system based on the specifications provided by the battery provider and energy retailer.

The customer advised EWON that he had recently experienced billing problems due a fault with the system. The customer had also requested to be taken off a controlled load tariff. He had been told to get an electrician to do this, but the electrician referred him back to the retailer and battery provider. The customer called the battery provider, which was unsure how to initiate the change in network tariffs.

The customer also complained to EWON that after four years of participating in the virtual power plant, the system that he installed has never met the 12,100 kWh minimum annual generation requirement for the energy plan he agreed to. The customer contacted the retailer and battery provider about the performance of his system, which referred him to the solar installer. The solar installer explained to him that the system would never achieve the solar generation required by his energy plan. The customer spoke again with the retailer and battery provider and was told that the design of the system was correct, and that other customers were able to meet the annual solar generation requirements of the energy plan with the same system design. The customer advised EWON that he wanted a clear explanation of why the system was not meeting the requirements of the energy plan. The customer complained that he felt misled by the retailer, battery provider, and solar installer, and that they should rectify this issue.

EWON spoke to the customer a second time and the customer advised that the metering issue had been resolved. EWON advised the customer that his complaint about the design, specifications, and performance of his system, as it related to his energy plan was not within EWON's jurisdiction and referred the customer to NSW Fair Trading.

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Case study 5

The customer felt mislead by energy retailer that provided a finance product for the installation of a rooftop solar system.

The customer installed a 6.6 kW rooftop solar system and agreed to a finance arrangement for the almost $14,000 cost of the system. The finance product for the solar system was offered by an authorised energy retailer and EWON member. The customer advised EWON that she was advised that her repayments would be $480 a quarter but her electricity bills would be zero. The customer explained to EWON that her last electricity bill was $271.21 on top of $480 repayment. The customer had complained to the energy retailer that her electricity bill was higher than promised. The retailer advised the customer that the rooftop solar system was functioning correctly. The customer complained to EWON that she felt that she was enticed into signing a contract for solar based on misleading advice from the retailer.

The retailer's conduct was not within EWON's jurisdiction. EWON referred the customer to NSW Fair Trading as the issue was related to the finance and installation for the rooftop solar system and not a dispute about the accuracy of the retail electricity charges.